# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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### FISCAL IMPACT STATEMENT

**LS 7104 NOTE PREPARED:** Dec 30, 2004

BILL NUMBER: HB 1773 BILL AMENDED:

**SUBJECT:** Do Not Call List.

FIRST AUTHOR: Rep. Bauer BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: State

X DEDICATED FEDERAL

**Summary of Legislation:** This bill expands the "do not call registry to include cellular and mobile telephone numbers.

Effective Date: July 1, 2005.

**Explanation of State Expenditures:** Including cellular and mobile telephone numbers as being eligible for subscription to the state's Telephone Privacy List will likely increase the number of list subscribers. While additional subscribers will increase the cost of administering the list, rulemaking provisions in current law allow the Attorney General to set the annual fee telemarketers are charged for the list to an amount sufficient to meet the cost of providing the list to telemarketers. Program costs associated with the program are paid from the dedicated Consumer Protection Division Telephone Solicitation Fund. (See *Explanation of State Revenues*, below.)

Background Information: P.L. 189-2001 established the Telephone Privacy List maintained by the Attorney General's Office. As of June 30, 2004, the Attorney General reported that 1,534,858 residential phones are registered for the list, an amount equivalent to 63% of the state's total number of residential lines. In December 2003 the Federal Communications Commission reported more than 2.6 M wireless users in Indiana. Under this bill, these phone lines could become eligible for the Telephone Privacy List.

**Explanation of State Revenues:** Funding for the Telephone Privacy List program comes solely from a \$750 annual subscription fee that telemarketers who are requesting the list are charged and from civil penalties assessed against persons that violate the state's telephone solicitation laws. Under current law, the Attorney

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General has rulemaking authority to set the annual fee charged telemarketers for the Telephone Privacy List at a level equal to the cost of maintaining the list. Expanding the list to include cellular and mobile numbers is likely to increase the Attorney General's costs, thereby requiring an increase in the telemarketer's annual subscription fee. Revenue from the fee is deposited in the dedicated Consumer Protection Division Telephone Solicitation Fund. In FY 2004, the fee for a copy of the list and penalties generated \$452,170. If the Telephone Solicitation Fund exceeds \$200,000 at the end of a fiscal year, the excess is transferred to the General Fund.

## **Explanation of Local Expenditures:**

### **Explanation of Local Revenues:**

**State Agencies Affected:** Attorney General's Office.

## **Local Agencies Affected:**

<u>Information Sources:</u> 2004 Telephone Report to the Regulatory Flexibility Committee, IURC; Attorney General's FY 2004 Report on the Telephone Privacy List to the Regulatory Flexibility Committee; Indiana Auditor of State Budget Revenue Trial Balance.

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